

MINUTES
REGULAR MEETING OF THE
BOARD OF DIRECTORS
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
NOVEMBER 9, 1993

40516 The Board of Directors of The Metropolitan Water District of Southern California met in Regular Meeting in the Board Room located in the Building at 1111 Sunset Boulevard in the City of Los Angeles, State of California, on Tuesday, November 9, 1993.

The Meeting was called to order by Chairman Pro Tem Miller at 12:36 p.m.

40517 The Meeting was opened with an invocation by Director Kenneth H. Witt.

40518 The Pledge of Allegiance to the Flag was given, led by Director John M. Mylne, III.

40519 In the absence of a Board Secretary, Chairman Pro Tem Miller designated Director Dale Mason as Secretary Pro Tem.

40520 Secretary Pro Tem Mason called the roll. Those answering present were: Directors Bannister, Barker, Blake, Boen, Brandt, Brick, Davenport, Fellow, Foley, Frahm, French, Goldsworthy, Grandsen, Green, Griffen, Handelman, Hawkins, Hill, Kazarian, Krauel, Krieger, Lombard, Mason, McMurray, Meyer, Miller, Milne, Moret, Morris, Morse, Murph, Mylne, O'Neil, Pak, Parker, Peterson, Rez, Stuart, Webster, Witt, and Wysbeek.

Those not answering were: Directors Brewer, Ibbetson, Leach, Luddy, Malburg, Reed, Stamper, Wein, and Young.

The Chair declared a quorum present.

40521 Chairman Pro Tem Miller inquired if there were any additions to the agenda.

Director Kazarian reported that information was submitted to the Building Site Task Force at its meeting of November 8 regarding the location of Metropolitan's permanent headquarters building site which was subsequent to the posting of the agenda. Based upon this recently received information, and to enable the Board to make a determination on this matter prior to January 1994, Director Kazarian stated it is necessary to add three items to today's agenda for the Board's consideration: (1) the proposal from the City of Anaheim received on November 8, and to instruct staff to immediately proceed with an evaluation of this proposal; (2) reconsideration of the proposal from the Michota/Stewart Partnership, with instructions to staff to reevaluate the proposal; and (3) to instruct staff to evaluate, for comparison purposes, a proposal received from MS Management Structures to purchase a portion of the Two Cal Plaza Office Building. Director Kazarian then moved, that by a two-thirds vote, the Board add these items to the agenda for consideration at today's Board Meeting. The motion was seconded by Director Milne.

Chairman Pro Tem Miller called for a roll call vote on the motion.

The following is a record of the vote on the motion:

Ayes: Anaheim (Dir. Kazarian, 1,570 votes), Beverly Hills (Dir. Webster, 898 votes), Calleguas Municipal Water District (Dirs. Grandsen and Miller, 2,923 votes), Coastal Municipal Water District (Dir. McMurray, 2,591 votes), Compton (Dir. Murph, 149 votes), Eastern Municipal Water District (Dir. Boen, 1,893 votes), Fullerton (Dir. Blake, 663 votes), Long Beach (Dir. Meyer, 1,882 votes), Municipal Water District of Orange County (Dirs. Bannister, Davenport, Foley, and Witt, 11,093 votes), Pasadena (Dir. Brick, 856 votes), San Diego County Water Authority (Ayes: Dirs. Frahm, Griffen, Krauel, Mason, and Parker. Absent: Dir. Leach. 13,134 votes), Three Valleys Municipal Water District (Dir. Milne, 2,395 votes), Upper San Gabriel Valley Municipal Water District (Dir. Fellow, 1,686 votes), West Basin Municipal Water District (Dirs. Barker, Goldsworthy, and Stuart, 6,243 votes), Western Municipal Water District of Riverside County (Dirs. Krieger and Mylne, 2,605 votes). Total 50,634 votes.

Noes: Central Basin Municipal Water District (No: Dir. Morse. Absent: Dirs. Ibbetson and Malburg. 5,440 votes), Chino Basin Municipal Water District (Dirs. French and Hill, 3,119 votes), Foothill Municipal Water District (Dir. O'Neil, 484 votes), Glendale (Dir. Rez, 1,069 votes), Las Virgenes Municipal Water District (Dir. Peterson, 822 votes), San Fernando (Dir. Wysbeek, 72 votes), San Marino (Dir. Morris, 169 votes), Upper San Gabriel Valley Municipal Water District (Dir. Hawkins, 1,686 votes). Total 12,861 votes.

Abstains: Los Angeles (Dirs. Brandt, Green, Handelman, Lombard, Moret, and Pak. Absent: Dirs. Luddy and Wein. 19,112 votes). Total 19,112 votes.

Absent: Burbank (Dir. Stamper, 806 votes), Santa Ana (Dir. Young, 1,121 votes), Santa Monica (Dir. Reed, 944 votes), Torrance (Dir. Brewer, 1,127 votes). Total 3,998 votes.

Chairman Pro Tem Miller declared the motion did not receive the required two-thirds vote of the Board and, therefore, failed.

40522 Chairman Pro Tem Miller invited members of the public to address the Board on matters within the Board's jurisdiction.

Jules Kimmett, Chairman, Concerned Citizens of Burbank, commented on Agenda Item E, commendatory resolutions for former Directors; Item F, the report of the Building Site Task Force; and Item G, the legal issues arising out of space problems.

Christopher L. Stewart of The Michota/Stewart Partnership urged the Board to reconsider its proposal on the site for Metropolitan's permanent headquarters building.

Hunter T. Cook, General Manager of Coastal Municipal Water District, expressed appreciation for the cooperative effort Metropolitan extended at the time the fire storms destroyed so much property in the City of Laguna Beach, and thanked the Board for maintaining a reliable water system.

Director Bannister withdrew from the Meeting at 1:00 p.m.

Greg Schultz of MS Management Structures urged the Board to consider the proposal it submitted regarding the Two Cal Plaza Building.

40523 There being no objection, the Chair ordered the reading of the Minutes of October 12, 1993, dispensed with, a copy having been mailed to all Directors.

Director Stuart moved, seconded by Director Kazarian and carried, that the foregoing Minutes be approved as mailed.

Director Bannister returned to the Meeting at 1:05 p.m.

40524 Based upon the testimony presented to the Board during the public comment period, Director Krauel moved that the Board reconsider the motion presented by Director Kazarian that items be added to today's agenda. The motion was seconded by Director Kazarian and carried.

The Chair declared that those items will be added to today's agenda for consideration by the Board.

Directors Hill and Milne withdrew from the Meeting at 1:06 p.m.

40525 The General Counsel's letters, each dated October 21, 1993, were presented, transmitting the credentials evidencing the appointments by the City of Los Angeles of David Y. Handelman, Kenneth T. Lombard, and Christopher C. Pak for the term ending December 31, 1996, replacing Michael J. Gage, Helen Romero Shaw, and Robert J. Abernethy, respectively; and Katherine W. Moret for the term ending December 31, 1994, replacing Edward L. Kussman.

40526 General Counsel Taylor reported the credentials had been examined and found legally sufficient.

The Chair ordered the credentials, together with the General Counsel's letters, received and filed.

The Chair reported that the Oaths of Office had been previously administered to Messrs. Handelman, Lombard, and Pak, and Mrs. Moret by Executive Secretary Dorff, Notary Public, and ordered the Oaths filed.

Director Brandt introduced Messrs. Handelman, Lombard, and Pak, and Mrs. Moret to the Board.

Director Hill returned to the Meeting at 1:09 p.m.

40527 Vice Chairman Blake moved, seconded by Director Kazarian and carried, approving the recommendation of the Executive Committee for the committee assignments for the new Directors, as follows:

1. Director Handelman to the Finance and Insurance and Legal and Claims Committees;
2. Director Lombard to the Land and Legal and Claims Committees;
3. Director Moret to the Engineering and Operations and Organization and Personnel Committees;
4. Director Pak to the Land and Organization and Personnel Committees; and
5. Director Wein to the Land and Water Problems Committees.

40528 Director Krieger presented to Vice Chairman James H. Blake a pin emblematic of his completion of five years of service on August 23, 1993, representing the City of Fullerton.

Directors Moret and Murph withdrew from the Meeting at 1:15 p.m.

40529 Director Krieger presented to Director James M. Rez a pin emblematic of his completion of five years of service on August 23, 1993, representing the City of Glendale.

Directors Green and Hill withdrew from the Meeting at 1:17 p.m.

40530 Director Krieger presented to Director Francesca M. Krauel a pin emblematic of her completion of ten years of service on November 8, 1993, representing San Diego County Water Authority.

40531 Vice Chairman Blake moved, seconded by Director Kazarian and carried, that the Board authorize preparation of Commendatory Resolutions for former Directors Michael J. Gage representing the City of Los Angeles, Carl J. Kymla representing Municipal Water District of Orange County, and S. Dell Scott representing the City of Los Angeles.

Director Murph returned to the Meeting at 1:25 p.m.

Directors French, Morris, Stuart, Webster, and Witt withdrew from the Meeting at 1:25 p.m.

40532 Vice Chairman Blake moved, seconded by Vice Chairman Griffen, that, in connection with the proposed Ward Valley Low-Level Radioactive Waste Facility, the Board authorize the General Manager to:

1. Take the steps he deems appropriate in conformity with the criteria set forth in the Board letter dated August 3, 1993;
2. Request the Governor to utilize a hearing process that will permit a full airing of issues; and
3. Protect Metropolitan's Colorado River interest regarding the proposed Ward Valley Low-Level Radioactive Waste Facility, as set forth in the General Manager's letter dated October 27, 1993, and further instructed the General Manager to keep the Board fully informed on this matter.

Director Green returned to the Meeting at 1:27 p.m.

The Chair announced that members of the public will have an opportunity to address the Board on this matter limited to three minutes for each presentation. The Chair then recognized the following listed members of the public, each speaking in opposition to the proposed Ward Valley Low-level Radioactive Waste Facility:

Sylvia Fliss, representing United Nations
Environmental Programs

Professor Jerry Raskin, U.N. Association of San
Francisco

Samuel I. Roth, M.D., private citizen

Bennett Ramberg, Ph.D., representing Committee to
Bridge the Gap

Arthur D. Fisher, M.D., representing Physicians for
Social Responsibility

Timothy M. Connor, attorney with the firm of Best,
Best & Krieger

Roger Lane Carrick, attorney with the firm of
Cadwalader, Wickensham & Taft

Dr. Joseph Lyou, representing Committee to Bridge
the Gap

Daniel Hirsch, president, Committee to Bridge the
Gap

S. Dell Scott, attorney, private citizen and former
member of Metropolitan's Board

Directors Moret, Morris, Stuart, and Witt returned
to the Meeting at 1:30 p.m.

The Chair recognized Dr. Alan D. Pasternak,
representing California Radioactive Materials Management
Forum, speaking in favor of the proposed Ward Valley Low-Level
Radioactive Waste Facility.

Directors French and Hill returned to the Meeting at
1:36 p.m.

Director Webster returned to the Meeting at
1:43 p.m.

Director Lombard withdrew from the Meeting at
1:47 p.m.

Director Milne returned to the Meeting at 1:50 p.m.

The Chair called for a vote on the motion, which was
carried.

40533 At 2:06 p.m., the Chair called a ten-minute recess.

At 2:15 p.m., the Chair called the Meeting to order
and into Closed Session pursuant to Government Code Section
54956.8 to instruct Metropolitan's real estate negotiators on
matters relating to the potential development of a permanent
headquarters facility at Union Station as proposed by Catellus
Development Corporation, pursuant to Metropolitan's RFP Number
047; and for comparative purposes downtown sites located at
145 South Spring Street, presently owned by the Times-Mirror
Corporation; as well as two sites presently owned by
Metropolitan located at 1111 Sunset Boulevard in Los Angeles,
and adjacent to Arrow Highway in La Verne; MS Management
Structure's proposal for the purchase of a portion of Two Cal
Plaza; the Michota/Stewart proposal for its South Park site;

and the proposal received from the City of Anaheim for possible development of a permanent headquarters site.

Director Handelman withdrew from the Meeting at 2:45 p.m.

Directors Griffen and Foley withdrew from the Meeting at 3:48 p.m.

At 3:52 p.m., the Chair called the Meeting into Open Session.

Chairman Pro Tem Miller reported that in Closed Session, the Board acted as follows:

1. Instructed staff to discontinue further consideration of the proposal to develop the Times-Mirror complex as a potential headquarters location;
2. Rejected reconsideration of the Michota/Stewart Partnership proposal to construct a new permanent headquarters facility for Metropolitan at its South Park site;
3. Received the proposal from MS Management Structures to purchase a portion of the Two Cal Plaza office building for Metropolitan's permanent headquarters, and tabled further discussion or consideration of the proposal at this time; and
4. Authorized the Building Site Task Force, and instructed staff, to vigorously pursue and evaluate two potential locations for a permanent headquarters facility, including the proposal submitted by Catellus Development Corporation for development of its Union Station site as well as the rehabilitation and reuse of Metropolitan's existing Sunset facility, and with an additional evaluation of the Metropolitan-owned property in the City of La Verne located adjacent to Arrow Highway.

40534 Legal and Claims Committee Chairman Krauel announced there is no report on legal issues arising out of space problems.

40535 Assistant General Manager Balcerzak reported that blasting will occur at the Domenigoni Valley Reservoir Project site tomorrow, to test the rock breakage and to furnish test fill material for the dam embankment.

Chief Engineer Snyder, with the use of a video tape, described the recent fire storms which destroyed most of the brush in the Shipley Ranch Reserve in the Domenigoni Valley as well as the area around the Skinner plant.

Chief of Operations Adams reported on the assistance Metropolitan provided its member agencies in fighting the recent fires.

Assistant General Manager Horne announced that the Special Budget Committee will be meeting on December 7, 1993, at 10:00 a.m., the first in a series of meetings to develop the 1994-95 Annual Budget. He reported that the sludge marketing program could reduce the sludge removal cost by fifty percent.

Directors Davenport and Webster withdrew from the Meeting at 3:59 p.m.

Director of Finance Leddy gave a slide-illustrated presentation on Metropolitan's financial condition.

Assistant General Manager Georgeson reported that it appears the Environmental Protection Agency will, on December 15, 1993, be publishing the salinity standards for the Bay Delta at two parts per thousand, as well as other Federal agencies will be proposing standards for the protection of the Delta smelt and the use of 800,000 acre-feet of Central Valley Project water for environmental purposes. Mr. Georgeson stated that these agencies are considering alternatives which would protect the environment while minimizing the negative impacts on urban users.

Director Milne withdrew from the Meeting at 4:06 p.m.

40536 General Manager Wodraska reported that copies of the Plan developed at the October 29-30 American Assembly meeting will be distributed to all Directors with an action plan presented to the Board at its December Meeting.

40537 Chairman Pro Tem Miller announced that Agenda Item 7-9, the General Manager's letter dated October 20, 1993, regarding Executive Partnership for Environmental Resource Training, has been deferred.

Director Stuart moved, seconded by Director Murph and carried, and the Board approved the Consent Calendar Items, M.I. 40538 through M.I. 40550, as follows:

40538 Adopted two Resolutions in the form transmitted with the General Manager's letter dated October 15, 1993, providing in substance that Metropolitan elects to be allocated that additional portion of revenue from taxes levied on redevelopment property which is attributable to either or both of the following: (1) any increase in Metropolitan's base year tax rate applied to incremental assessed value of project property; and (2) that portion of the increase in assessed valuation attributable to the annual inflation adjustment applied to the base year tax rate on the following specific redevelopment projects:

Resolution 8424	San Jacinto Redevelopment Project, Amendment No. 1, City of San Jacinto
Resolution 8425	City of Riverside Redevelopment Project, Amendment No. 1, City of Riverside

each Resolution entitled:

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN
WATER DISTRICT OF SOUTHERN CALIFORNIA ELECTING TO RECEIVE
ALLOCATION OF TAXES PURSUANT TO PROVISIONS OF THE
COMMUNITY REDEVELOPMENT LAW**

40539 Authorized Appropriation No. 670 in the amount of \$952,000 from the Pay-As-You-Go Fund to finance the purchase, installation, and personnel training for a replacement mass spectrometer, as set forth in the General Manager's letter dated October 5, 1993.

40540 Authorized (1) the General Manager to have all work performed other than work performed under contracts involving an expenditure of \$250,000 or more, to upgrade the existing concrete access way to Settling Basin No. 1 at the Weymouth Filtration Plant; and (2) Appropriation No. 671 in the amount of \$680,000 from the Pay-As-You-Go Fund to finance the estimated cost of this work, as set forth in the General Manager's letter dated October 15, 1993.

40541 Authorized the General Manager to extend the contract for the four-month period of December 15, 1993, through April 15, 1994, with Metro Building Maintenance Company for furnishing building maintenance services at various Metropolitan facilities, in an amount not to exceed \$131,549.96, for a total contract cost of \$328,874.90, as set forth in the General Manager's letter dated October 20, 1993.

40542 Authorized the General Manager to amend the appropriate agreements (Nos. 3734 and 3733) to extend the term of the recovery of Metropolitan's stored groundwater under the Chino Basin Short-Term Conjunctive-Use Project by one year as described in the General Manager's letter dated October 26, 1993.

Directors Hill and Milne requested to be recorded as abstaining.

40543 Revised the Board's Goals on Water Supply and Reliability and Finance, and added a new Operations and Maintenance Goal as described in the General Manager's letter dated October 19, 1993.

40544 Authorized the General Counsel to amend the agreement with Remy & Thomas dated March 16, 1993, for legal services related to the Central Pool Augmentation Project, not to exceed \$200,000, in accordance with the terms and conditions described in the General Counsel's letter dated October 13, 1993.

40545 Authorized the General Manager to (1) delete Chapter 6, Division 6 from the Administrative Code; and (2) amend Sections 6226, 6248, 6500, 6522, and 6540 of the Administrative Code to conform with recent labor negotiations and personnel actions, to read as shown in Attachment B to the General Manager's letter dated October 8, 1993, and supplemented by his letter dated October 28, 1993.

40546 Authorized the General Manager, with the advice of the General Counsel, to write off the uncollectible costs in the amount of \$15,728.57 to remove materials illegally dumped on the grounds of the Jensen plant as set forth in the General Manager's letter dated October 14, 1993.

40547 Authorized (1) the General Manager to implement the 2000-gpd test unit operations and to continue with preliminary design work, including environmental and water quality studies for a 5-mgd seawater Desalination Demonstration Project; and (2) Revision No. 3 to Appropriation No. 604, an increase of \$1.4 million to a total of \$4.2 million from the 1992 Revenue Bond Construction Fund, to cover the estimated implementation costs, as set forth in the General Manager's letter dated October 13, 1993.

40548 Authorized (1) the General Manager to have all work performed by District forces in advance of award of a construction contract for purchase of materials, fabrication

and construction of roof and interior seismic modifications to the pump buildings at all Colorado River Aqueduct pumping plants, and excavation for construction of buttresses at Hinds, Eagle Mountain, and Iron Mountain pumping plants; and for all costs in advance of award of a construction contract for seismic modifications to the discharge pipelines at all Colorado River Aqueduct pumping plants; and (2) Revision No. 2 to Appropriation No. 607, an increase of \$3,970,000 to a total of \$5,250,000 from the 1992 Revenue Bond Construction Fund, to finance this work, as set forth in the General Manager's letter dated October 15, 1993.

40549 The Board (1) approved proceeding with the preliminary design and environmental documentation for ozone/PEROXONE facilities at the Joseph Jensen Filtration Plant as the first plant in the Oxidation Retrofit Program; (2) authorized the General Manager to have all work performed, other than work to be performed under competitively bid contracts and consulting contracts involving an expenditure over \$250,000 or more, for preliminary design and environmental documentation for this program; and (3) authorized Revision No. 1 to Appropriation No. 610, an increase of \$5 million to a total of \$10 million from the 1992 Revenue Bond Construction Fund, to cover the cost of this work, as set forth in the General Manager's letter dated October 13, 1993.

40550 Authorized the General Manager to purchase Parcel No. 144-001-161 owned by Albert Scheenstra and Rika Scheenstra, Trustees of the Al and Rika Scheenstra Trust, for the Domenigoni Valley Reservoir Project, as set forth in his confidential letter dated October 15, 1993.

40551 Chairman Miller Pro Tem announced that Agenda Item 8-1, the Memorandum of Understanding with the Employees Association, has been withdrawn.

Directors Krauel and Moret withdrew from the Meeting at 4:14 p.m.

40552 Vice Chairman Blake moved, seconded by Director Barker on behalf of the Water Problems Committee, that the General Manager be authorized to (1) execute an initial agreement with Areias Dairy Farms to transfer Central Valley Project water, which would provide for execution of the final agreement consistent with the General Manager's letter dated October 20, 1993, subject to the agreement being in form approved by the General Counsel; and (2) make a payment of \$563,500 to Areias Dairy Farms.

Director Hill offered a substitute motion, seconded by Director Bannister, that this matter be deferred for at least sixty days. The Chair called for a vote on the substitute motion, which did not carry.

Director Milne returned to the Meeting at 4:19 p.m.

Chairman Pro Tem Miller called for a vote on the original motion, which was voted upon and carried.

Directors Bannister, French, Hill, and Milne requested to be recorded as voting no.

40553 Vice Chairman Blake moved, seconded by Vice Chairman Barker, that the Board authorize (1) the creation of an Owner-Controlled Insurance Program for the Domenigoni Reservoir; and (2) the staff to issue a Request for Proposal for broker/administrative services to support the program, as set forth in the letter signed jointly by the General Manager and the General Counsel dated October 25, 1993.

Director Bannister requested the Board carefully review the information he distributed presenting figures challenging the credibility of the Owner-Controlled Insurance Program as presented, and urged the Board to reject the creation of the program based on the historic loss ratio experienced by other major corporations.

Ad Hoc Committee to Review the Owner-Controlled Insurance Program Chair Green advised that in addition to a thorough review of this issue by the Ad Hoc Committee, this matter was considered by three standing committees as well as the Executive Committee, each recommending approval of the program.

Directors Hawkins and Meyer withdrew from the Meeting at 4:43 p.m.

Following a lengthy discussion, Chairman Pro Tem Miller called for a roll call vote on the motion.

The following is a record of the roll call vote on the motion:

Ayes: Calleguas Municipal Water District (Dir. Miller, 1,488 votes), Central Basin Municipal Water District (Ayes: Dir. Morse. Absent: Dirs. Ibbetson and Malburg. 5,440 votes), Compton (Dir. Murph, 149 votes), Eastern Municipal Water District (Dir. Boen, 1,893 votes), Foothill

Municipal Water District (Dir. O'Neil, 484 votes), Fullerton (Dir. Blake, 663 votes), Las Virgenes Municipal Water District (Dir. Peterson, 822 votes), Los Angeles (Ayes: Dirs. Brandt, Green, Lombard, and Pak. Absent: Dirs. Handelman, Luddy, Moret, and Wein. 19,112 votes), Pasadena (Dir. Brick, 856 votes), San Diego County Water Authority (Ayes: Dirs. Frahm and Parker. Absent: Dirs. Griffen, Krauel, and Leach. 8,756 votes), San Fernando (Dir. Wysbeek, 72 votes), San Marino (Dir. Morris, 169 votes), Three Valleys Municipal Water District (Dir. Milne, 2,395 votes), Upper San Gabriel Valley Municipal Water District (Aye: Dir. Fellow. Absent: Dir. Hawkins. 3,372 votes), West Basin Municipal Water District (Dirs. Barker, Goldsworthy, and Stuart, 6,243 votes), Western Municipal Water District of Riverside County (Dirs. Krieger and Mylne, 2,605 votes). Total 54,519 votes.

Noes: Anaheim (Dir. Kazarian, 1,570 votes), Calleguas Municipal Water District (Dir. Grandson, 1,488 votes), Chino Basin Municipal Water District (Dirs. French and Hill, 3,119 votes), Coastal Municipal Water District (Dir. McMurray, 2,591 votes), Glendale (Dir. Rez, 1,069 votes), Municipal Water District of Orange County (Noes: Dirs. Bannister and Witt. Absent: Dirs. Davenport and Foley. 11,093 votes), San Diego County Water Authority (Dir. Mason, 4,378 votes). Total 25,308 votes.

Abstains: None.

Absent: Beverly Hills (Dir. Webster, 898 votes), Burbank (Dir. Stamper, 806 votes), Long Beach (Dir. Meyer, 1,882 votes), Santa Ana (Dir. Young, 1,121 votes), Santa Monica (Dir. Reed, 944 votes), Torrance (Dir. Brewer, 1,127 votes). Total 6,778 votes.

Chairman Pro Tem Miller declared the motion carried by a vote of 54,519 ayes, 25,308 noes, and 6,778 absent.

40554 On behalf of the Water Problems Committee, Vice Chairman Barker moved, seconded by Director Boen and carried, and the Board (1) considered the environmental effects of the proposed annexation as shown on the Negative Declaration transmitted with the General Manager's letter dated October 15, 1993, prior to reaching a decision on this matter; adopted **Resolution 8426** granting Eastern Municipal Water District's request for consent to the concurrent annexation of the Sixtieth Fringe Area (formerly known as Rose Hills Memorial Park Association Annexation) to Eastern and Metropolitan, and fixing Metropolitan's terms and conditions for the annexation, including a cash payment of \$730,951.84 if

completed by December 31, 1993, or at the then current per-acre rate if completed during the 1994 calendar year, said Resolution entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO THE ANNEXATION OF SIXTIETH FRINGE AREA UPON CONCURRENT ANNEXATION TO EASTERN MUNICIPAL WATER DISTRICT AND FIXING THE TERMS AND CONDITIONS OF SAID ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

40555 Finance and Insurance Committee Chairman Mason moved, seconded by Engineering and Operations Committee Vice Chairman Frahm and carried, and the Board approved the recommendations set forth in the General Manager's letter dated November 9, 1993, revised from his October 21 letter, as follows: (1) subject to the General Manager's review and satisfaction with the contractor's MBE/WBE Good Faith Efforts, a contract in the amount of \$1,232,351 be awarded to Inland Asphalt and Coating, a General Partnership, and Space Leasing Company, Inc., a California Corporation, a Joint Venture, for construction of the Field Office, and that conditioned upon the execution of the contract, all other bids be rejected; and (2) authorized Revision No. 9 to Appropriation No. 560, an increase of \$1,670,000 to a total of \$420,970,000 from the 1992 Revenue Bond Construction Fund, for construction of the Field Office.

40556 General Counsel Taylor reported that staff has been instructed by three standing committees to complete the EIR on the Central Pool Augmentation Project and to investigate opportunities for purchase of properties to implement the program.

Item The following listed communications were submitted for the information of the Board:

- a. Reports of the General Manager
 - i. Activities for the month of October, dated November 2, 1993.
 - ii. Operating data for the month of September, dated October 19, 1993.
- b. Report of the General Counsel on the activities of the Legal Department for the month of October, dated October 29, 1993.

- c. Report of the Auditor on the activities of the Audit Department for the month of October, dated November 2, 1993.
- d. Letter of the General Manager dated November 15, 1993, transmitting the Monthly Financial Report for the month of September.
- e. Letter of the Auditor dated October 7, 1993, transmitting Statements of Cash and Investments and Cash Receipts and Disbursements, by Fund Category and in Total, for the year-ended June 30, 1993.
- f. Letter of the Auditor dated October 18, 1993, transmitting Audited Comparative Financial Statements for the years ended June 30, 1993 and 1992.
- g. Letter of the General Manager dated November 3, 1993, transmitting the variance report for the period ending September 1993.
- h. Letter of the General Manager dated October 15, 1993, transmitting quarterly report on changes in funding sources for Capital Program expenditures.
- i. Letter of the General Manager dated October 20, 1993, submitting a preliminary analysis of the 1994 Statement of Charges under the State Water Contract.
- j. Letter of the General Manager dated October 20, 1993, reporting on Monthly Water Use by Member Agency for Fiscal Year 1992-93.
- k. Letter of the General Manager dated October 26, 1993, reporting on Metropolitan's water resources element for the Regional Comprehensive Plan of Southern California Association of Local Governments.
- l. Letter of the General Manager dated October 26, 1993, reporting on reliability of Colorado River supplies.
- m. Letter of the General Manager dated October 11, 1993, reporting on taste-and-odor research and control efforts at Metropolitan.

- n. Letter of the General Manager dated October 15, 1993, transmitting the quarterly report for the Domenigoni Valley Reservoir Project.
- o. Letter of the General Manager dated October 18, 1993, submitting an update on relocation assistance program.
- p. Letter of the General Manager dated October 26, 1993, discussing wetlands definitions in support of Legislative Policy Principles for Wetlands.
- q. Letter of the General Manager dated October 15, 1993, submitting the semiannual report on equal employment opportunity.
- r. Letter of the General Manager dated September 30, 1993, responding to Special Budget Committee Recommendations made at the April 19-20, 1993 meeting.

40557 There being no objection, Chairman Pro Tem Miller adjourned the Meeting at 4:56 p.m.


SECRETARY PRO TEM


CHAIRMAN PRO TEM